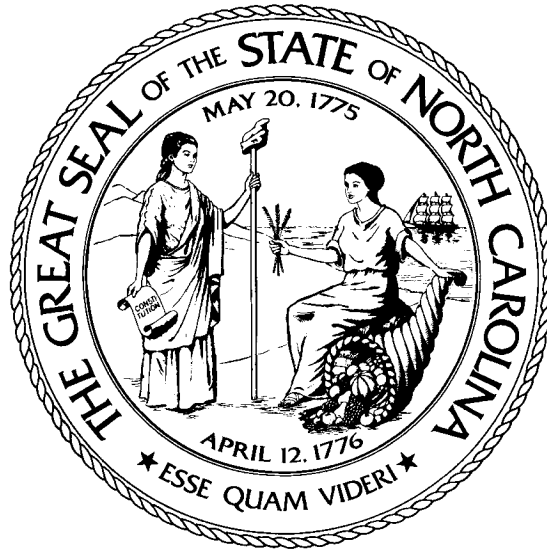
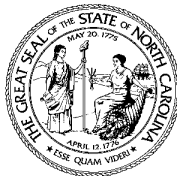

STATE OF
NORTH CAROLINA



Monthly Financial Summary
October 31, 1999

Office of the State Controller

Edward Renfrow
State Controller



State of North Carolina Office of the State Controller

James B. Hunt, Jr.
Governor

Edward Renfrow
State Controller

December 14, 1999

The Honorable James B. Hunt, Jr., Governor
The Honorable Ralph Campbell, Jr., State Auditor
The Honorable Harlan E. Boyles, State Treasurer
Mr. Marvin K. Dorman, Jr., State Budget Officer

Gentlemen:

I herewith submit the unaudited financial information for the State of North Carolina's General Fund for the month of October 1999, and the four months ended October 31, 1999, with comparative information for the prior year, and the Highway Fund, and the Highway Trust Fund for the month of October 1999, and the four months ended October 31, 1999, with comparative information for the prior year. The financial schedules within this report are designed to summarize at an executive level the results of operations for the major funds of the State under the budgetary basis of accounting.

It is my intention that this report provide the fiscal managers of the State an easily readable and informative summary of State operations on a monthly basis. Please contact me if you have questions or comments on the contents of this report or if you would like more detailed information. The Office of the State Controller is committed to providing the fiscal managers of the State with the best financial management information possible.

Sincerely,

A handwritten signature in cursive script, appearing to read "Edward Renfrow".

Edward Renfrow
State Controller

ER:JCB

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FINANCIAL SUMMARY
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**SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - BUDGETARY BASIS
GENERAL FUND**

October 31, 1999

(Expressed In Millions)

Assets		Liabilities and Fund Balance	
Deposits with State Treasurer :		<u>Liabilities:</u>	
Cash and Investments	\$ 2,015.8	Sales and Use Tax Payable	\$ 548.5
		Scrap Tire Fees Payable	\$ 2.7
Advance to North Carolina Railroad	61.0	Beverage Tax Payable	12.5
		White Goods	1.2
		Total Liabilities	\$ 564.9
		<u>Fund Balance:</u>	
		<u>Reserved :</u>	
		Savings Account (G.S. 143-15.3)	\$ 322.5
		Retirees' Health Premiums	243.5
		Repairs and Renovations (G.S. 143-15.3A)	9.0
		Clean Water Management Trust Fd (G.S. 143-15.3B)	1.1
		North Carolina Railroad Acquisition	61.0
		Total Reserved	\$ 637.1
		<u>Unreserved :</u>	
		Fund Balance - July 1, 1999	296.7
		Contribution from Reserves - July 1, 1999	380.0
			676.7
		Excess of Revenue Over Expenditures -	
		Four Months Ended October 31, 1999	198.1
		Total Unreserved	874.8
		Total Fund Balance	1,511.9
Total Assets	\$ 2,076.8	Total Liabilities and Fund Balance	\$ 2,076.8

Bailey Case — State Tax Refunds - State Retirees. State and local government retirees filed a class action suit in 1990 as a result of the repeal of the income tax exemption for state and local government retirement benefits. The original suit was dismissed after the North Carolina Supreme Court ruled in 1991 that the plaintiffs had failed to comply with state law requirements for challenging unconstitutional taxes and the United States Supreme Court denied review. In 1992, many of the same plaintiffs filed a new lawsuit alleging essentially the same claims, including breach of contract, unconstitutional impairment of contract rights by the State in taxing benefits that were allegedly promised to be tax exempt and violation of several state constitutional provisions.

Patton Case — State Tax Refunds - Federal Retirees. On May 23, 1995, retired federal employees sued for refund of income taxes paid upon pension income for tax years 1989 through 1993. They alleged that the incremental pension increases granted state retirees since 1989 unconstitutionally discriminate against them. The North Carolina Supreme Court ruled in the Bailey case on Friday, May 8, 1998. On June 9, 1998 representatives of the State and the various retirees involved in the Bailey and Patton cases announced a settlement in the amount of \$799 million. Of this amount, \$400 million was paid in refunds in November 1998 for fiscal year 1998-99, and \$399 million in July of fiscal year 1999-2000.

Smith v. State – Intangibles tax refunds to non-protesting taxpayers. On February 21, 1996, the U.S. Supreme Court declared North Carolina's intangibles tax unconstitutional. Subsequently, the State made refunds of intangible taxes paid by all persons who had complied with the provisions of G.S. 105-267, **Taxes to be paid; suits for recovery of taxes**, for obtaining refunds of unconstitutional taxes. The Smith case is an action aimed principally at recovering intangibles tax refunds for taxpayers who failed to comply with the provisions of G.S. 105-267. On December 4, 1998, the Supreme Court ruled that North Carolina will have to pay refunds to non-protesters who paid intangibles taxes. This case has been consolidated with Shaver v. State, another action for refund of intangibles tax paid on shares of stock. The consolidated case has now been settled and the agreement requires the State to pay \$440 million into a settlement fund in two installments, \$200 million by October 1, 1999, and \$240 million by July 10, 2000.

State of North Carolina

SCHEDULE OF OPERATIONS GENERAL FUND

For the Months of October 1999 and 1998, and the Four Months Ended October 31, 1999 and 1998

(Expressed In Millions)

	Month		Year-To-Date		Authorized Budget		Percent of Budget Realized/Expended Year-To-Date	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
Beg. Unreserved Fund Balance	\$ 1,119.9	\$ 1,659.0	\$ 296.7	\$ 515.2	\$ 296.7	\$ 515.2		
Transfer from Reserved Fund Balance	—	—	380.0	227.8	380.0	227.8		
	<u>1,119.9</u>	<u>1,659.0</u>	<u>676.7</u>	<u>743.0</u>	<u>676.7</u>	<u>743.0</u>		
Revenues:								
Tax Revenues:								
Individual Income	520.3	496.3	2,048.0	1,991.1	7,121.4	6,358.4	28.8%	31.3%
Corporate Income	19.0	19.8	202.5	201.8	829.2	743.1	24.4%	27.2%
Sales and Use	260.4	254.1	1,114.8	1,107.7	3,374.3	3,350.0	33.0%	33.1%
Franchise	56.3	34.0	136.7	110.5	410.9	434.8	33.3%	25.4%
Insurance	84.9	74.9	88.5	79.6	305.7	273.6	28.9%	29.1%
Beverage	9.1	8.4	51.5	48.9	162.3	158.0	31.7%	30.9%
Inheritance	10.5	14.4	61.4	56.3	137.5	155.4	44.7%	36.2%
Soft Drink	—	1.0	1.2	5.3	1.5	13.4	80.0%	39.6%
Privilege License	5.3	5.2	19.5	14.8	30.9	38.9	63.1%	38.0%
Tobacco Products	3.6	4.0	15.1	16.0	42.8	46.3	35.3%	34.6%
Real Estate Conveyance Excise	(0.8)	(0.8)	8.8	7.7	—	—	—	—
Gift	0.8	0.6	3.2	1.3	20.4	16.4	15.7%	7.9%
White Goods Disposal	(0.8)	(1.4)	0.4	0.3	—	—	—	—
Scrap Tire Disposal	(1.8)	(1.8)	0.9	0.9	—	—	—	—
Freight Car Lines	—	—	—	—	0.5	0.5	—	—
Piped Natural Gas	0.6	—	4.7	—	30.0	—	15.7%	—
Other	(0.1)	0.1	0.1	0.2	0.6	0.7	16.7%	28.6%
Total Tax Revenue	<u>967.3</u>	<u>908.8</u>	<u>3,757.3</u>	<u>3,642.4</u>	<u>12,468.0</u>	<u>11,589.5</u>	30.1%	31.4%
Non-Tax Revenue:								
Treasurer's Investments	18.3	22.3	79.7	90.9	236.2	261.5	33.7%	34.8%
Judicial Fees	9.1	10.0	37.7	39.8	127.0	116.3	29.7%	34.2%
Insurance	5.7	5.2	5.9	5.8	41.4	21.4	14.3%	27.1%
Disproportionate Share	—	—	105.0	—	105.0	85.0	100.0%	—
Highway Fund Transfer In	—	—	3.4	3.3	13.6	13.4	25.0%	24.6%
Highway Trust Fund Transfer In	—	—	170.0	170.0	170.0	170.0	100.0%	100.0%
Other	8.5	7.0	45.4	20.2	114.7	111.7	39.6%	18.1%
Total Non-Tax Revenue	<u>41.6</u>	<u>44.5</u>	<u>447.1</u>	<u>330.0</u>	<u>807.9</u>	<u>779.3</u>	55.3%	42.3%
Total Tax and Non-Tax Revenue	<u>1,008.9</u>	<u>953.3</u>	<u>4,204.4</u>	<u>3,972.4</u>	<u>13,275.9</u>	<u>12,368.8</u>	31.7%	32.1%
Bond Proceeds	<u>2.6</u>	<u>—</u>	<u>200.0</u>	<u>—</u>	<u>200.0</u>	<u>450.0</u>	100.0%	—
Total Availability	<u>2,131.4</u>	<u>2,612.3</u>	<u>5,081.1</u>	<u>4,715.4</u>	<u>14,152.6</u>	<u>13,561.8</u>	35.9%	34.8%
Expenditures:								
Current Operations	1,260.8	939.2	3,921.3	2,989.8	13,491.5	12,582.0	29.1%	23.8%
Capital Improvements:								
Funded by General Fund	—	—	57.6	—	227.1	337.2	25.4%	—
Debt Service	(6.8)	—	27.4	52.5	193.1	192.4	14.2%	27.3%
	<u>1,254.0</u>	<u>939.2</u>	<u>4,006.3</u>	<u>3,042.3</u>	<u>13,911.7</u>	<u>13,111.6</u>	28.8%	23.2%
Capital Improvements:								
Funded by Bond Proceeds	2.6	—	200.0	—	200.0	450.0	100.0%	—
Total Expenditures	<u>1,256.6</u>	<u>939.2</u>	<u>4,206.3</u>	<u>3,042.3</u>	<u>14,111.7</u>	<u>13,561.6</u>	29.8%	22.4%
Unreserved Fund Balance	<u>\$ 874.8</u>	<u>\$ 1,673.1</u>	<u>\$ 874.8</u>	<u>\$ 1,673.1</u>	<u>\$ 40.9</u>	<u>\$ 0.2</u>		

SCHEDULE OF NET TAX AND NON-TAX REVENUES AND TRANSFERS IN BUDGET VS. ACTUAL GENERAL FUND

For the Month of October 1999, and the Four Months Ended October 31, 1999

(Expressed In Millions)

	Current Month				Year-To-Date			
	Projected Monthly Budget	Actual	Variance	Percent Realized	Projected Monthly Budget	Actual	Variance	Percent Realized
Tax Revenue								
Individual Income [1]	\$ 515.1	\$ 520.3	\$ 5.2	101.0%	\$ 2,080.7	\$ 2,048.0	\$ (32.7)	98.4%
Corporate Income [2]	13.7	19.0	5.3	138.7%	179.1	202.5	23.4	113.1%
Sales and Use	274.2	260.4	(13.8)	95.0%	1,127.9	1,114.8	(13.1)	98.8%
Franchise	53.6	56.3	2.7	105.0%	132.5	136.7	4.2	103.2%
Insurance	78.4	84.9	6.5	108.3%	82.1	88.5	6.4	107.8%
Beverage	8.5	9.1	0.6	107.1%	50.1	51.5	1.4	102.8%
Inheritance	10.1	10.5	0.4	104.0%	57.5	61.4	3.9	106.8%
Soft Drink	—	—	—	—	1.5	1.2	(0.3)	80.0%
Privilege License	6.5	5.3	(1.2)	81.5%	14.5	19.5	5.0	134.5%
Tobacco Products	3.6	3.6	—	100.0%	14.4	15.1	0.7	104.9%
Real Estate Conveyance Excise	(0.8)	(0.8)	—	100.0%	8.8	8.8	—	100.0%
Gift	0.2	0.8	0.6	400.0%	1.2	3.2	2.0	266.7%
White Goods Disposal	(0.8)	(0.8)	—	100.0%	0.4	0.4	—	100.0%
Scrap Tire Disposal	(1.8)	(1.8)	—	100.0%	0.9	0.9	—	100.0%
Piped Natural Gas	1.4	0.6	(0.8)	42.9%	3.1	4.7	1.6	151.6%
Other	—	(0.1)	(0.1)	—	—	0.1	0.1	—
Total Tax Revenue	<u>961.9</u>	<u>967.3</u>	<u>5.4</u>	100.6%	<u>3,754.7</u>	<u>3,757.3</u>	<u>2.6</u>	100.1%
Non-Tax Revenue								
Treasurer's Investments	20.9	18.3	(2.6)	87.6%	86.6	79.7	(6.9)	92.0%
Judicial Fees	10.8	9.1	(1.7)	84.3%	42.0	37.7	(4.3)	89.8%
Insurance	5.7	5.7	—	100.0%	11.6	5.9	(5.7)	50.9%
Disproportionate share	—	—	—	—	105.0	105.0	—	100.0%
Highway Fund Transfer In	—	—	—	—	3.4	3.4	—	100.0%
Highway Trust Fund Transfer In	—	—	—	—	170.0	170.0	—	100.0%
Other	7.4	8.5	1.1	114.9%	44.0	45.4	1.4	103.2%
Total Non-Tax Revenue	<u>44.8</u>	<u>41.6</u>	<u>(3.2)</u>	92.9%	<u>462.6</u>	<u>447.1</u>	<u>(15.5)</u>	96.6%
Total Tax and Non-Tax Revenue	<u>\$ 1,006.7</u>	<u>\$ 1,008.9</u>	<u>\$ 2.2</u>	100.2%	<u>\$ 4,217.3</u>	<u>\$ 4,204.4</u>	<u>\$ (12.9)</u>	99.7%

[1] Individual Income Tax collections are reported net of the following transfer(s) :

	1999-00		1998-99	
	Current Month	Year-To- Date	Current Month	Year-To- Date
Individual Income Tax, Reported Net	\$ 520.3	\$ 2,048.0	\$ 496.3	\$ 1,991.1
Local Government Tax Reimbursement	—	129.0	—	129.0
Individual Income Tax, Adjusted for Transfers	<u>\$ 520.3</u>	<u>\$ 2,177.0</u>	<u>\$ 496.3</u>	<u>\$ 2,120.1</u>

[2] Corporate Income Tax collections are reported net of the following transfer(s) :

	1999-00		1998-99	
	Current Month	Year-To- Date	Current Month	Year-To- Date
Corporate Income Tax, Reported Net	\$ 19.0	\$ 202.5	\$ 19.8	\$ 201.8
Public School Building Capital Fund	—	26.1	—	21.2
Critical School Facility Needs Fund	—	2.5	—	2.5
Local Government Tax Reimbursement	—	101.5	—	101.5
	<u>—</u>	<u>130.1</u>	<u>—</u>	<u>125.2</u>
Corporate Income Tax, Adjusted for Transfers	<u>\$ 19.0</u>	<u>\$ 332.6</u>	<u>\$ 19.8</u>	<u>\$ 327.0</u>

State of North Carolina

SCHEDULE OF APPROPRIATION EXPENDITURES BY FUNCTION AND DEPARTMENT GENERAL FUND

For the Months of October 1999 and 1998, and the Four Months Ended October 31, 1999 and 1998
(Expressed In Millions)

	Month		Year-To-Date		Authorized Budget		Percent of Budget Expended	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
<p>A negative appropriation expenditure indicates that a budget code has non-appropriated authorized receipts that exceed authorized expenditures.</p> <p>Budget Code Expenditures minus Budget Code Receipts equal Budget Code Appropriation Expenditures.</p>								
General Fund Expenditures								
Current Operations :								
General Government								
General Assembly	\$ 2.2	\$ 3.5	\$ (3.9)	\$ (3.2)	\$ 35.7	\$ 34.9	(10.9%)	(9.2%)
Governor's Office	0.5	0.5	2.2	1.9	5.5	5.4	40.0%	35.2%
Office of State Budget	0.3	0.4	1.3	1.3	4.3	4.5	30.2%	28.9%
Office of State Planning	0.2	0.2	0.5	0.7	2.2	3.4	22.7%	20.6%
Housing Finance Agency	—	—	11.3	—	11.3	4.3	100.0%	—
Disaster Relief	25.0	—	(52.0)	(98.0)	—	—	—	—
Lieutenant Governor	—	—	0.2	0.2	0.7	0.7	28.6%	28.6%
Secretary of State	0.5	0.5	1.7	1.5	7.0	7.0	24.3%	21.4%
State Auditor	1.2	1.1	2.2	1.7	12.1	12.2	18.2%	13.9%
State Treasurer	0.9	0.7	1.2	1.2	7.0	8.3	17.1%	14.5%
Retirement and Employee Benefits	201.2	0.9	601.5	3.2	611.3	412.3	98.4%	0.8%
Fire Safety Loan	—	—	—	—	—	—	—	—
Administration	4.4	5.4	19.4	16.0	63.7	61.9	30.5%	25.8%
Administration-Reserve Central Mail Service	—	—	—	—	(1.0)	—	—	—
Office of the State Controller	1.0	1.3	2.7	3.4	11.8	13.2	22.9%	25.8%
Revenue	6.2	6.1	12.5	20.9	81.8	84.2	15.3%	24.8%
Cultural Resources	11.7	8.7	29.3	22.2	71.3	73.7	41.1%	30.1%
Cultural Resources - Roanoke Island Commission	—	—	1.8	—	1.9	1.9	94.7%	—
Board of Elections	0.2	0.1	(4.0)	(3.4)	3.4	3.8	(117.6%)	(89.5%)
Office of Administrative Hearings	0.1	0.2	0.7	0.8	2.9	2.8	24.1%	28.6%
Rules Review Committee	—	—	0.1	0.1	0.3	0.3	33.3%	33.3%
	255.6	29.6	628.7	(29.5)	933.2	734.8	67.4%	(4.0%)
Reserves - General Assembly	—	—	3.1	1.0	5.7	8.3	54.4%	12.0%
Reserves - Contingency & Emergency	—	—	—	—	1.0	0.6	—	—
Reserves - SPA Salary Increases	—	—	—	—	12.0	2.7	—	—
Reserves - Salary Adjustments	—	—	—	—	2.0	—	—	—
Reserves - Comprehensive Health Plan	—	—	—	—	110.0	—	—	—
Reserves - Year 2000	—	—	—	—	—	—	—	—
Reserves - Education Technology Equipment	—	—	—	—	—	—	—	—
Reserves - Nonrecurring Compensation Increase	—	—	—	—	7.5	3.1	—	—
Reserves - Welfare Reform	—	—	—	—	0.4	0.4	—	—
Reserves - Administrative Rules Process	—	—	—	—	—	—	—	—
Reserves - Salary Adjustments 1999-00	—	—	—	—	1.2	0.6	—	—
Reserves - Salary Adjustments	—	—	—	—	0.8	0.6	—	—
Reserves - Child Support Legislation	—	—	—	—	—	—	—	—
Reserves - Positions Vacated by Retirement	—	—	—	—	(8.9)	—	—	—
Reserves - Retirement Adjustment	—	—	—	—	(51.5)	—	—	—
Reserves - Postage Reduction	—	—	—	—	—	(0.1)	—	—
Reserves - Criminal Justice Information System	—	—	—	—	—	—	—	—
Reserves - Retirement Adjustment	—	—	—	—	—	—	—	—
Reserves - Moving Expenses	—	—	—	(1.8)	—	—	—	—
Reserves - Clean Water	—	—	—	—	—	—	—	—
Reserves - Juvenile Justice	—	—	—	—	—	—	—	—
Reserves - SPA Minimum Salary	—	—	—	—	0.1	—	—	—
Reserves - AOC Retirement Reduction	—	—	—	—	(0.9)	—	—	—
Reserves - Intangibles Tax Settlement	—	—	—	—	—	—	—	—
	—	—	3.1	(0.8)	79.4	16.2	3.9%	(4.9%)
Total - General Government	255.6	29.6	631.8	(30.3)	1,012.6	751.0	62.4%	(4.0%)
Education								
Public Instruction	461.6	479.7	1,453.8	1,336.1	5,470.9	5,068.6	26.6%	26.4%
North Carolina School of								

State of North Carolina

SCHEDULE OF APPROPRIATION EXPENDITURES BY FUNCTION AND DEPARTMENT GENERAL FUND

For the Months of October 1999 and 1998, and the Four Months Ended October 31, 1999 and 1998

(Expressed In Millions)

	Month		Year-To-Date		Authorized Budget		Percent of Budget Expended	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
Science and Mathematics	1.0	1.0	3.1	2.8	10.8	10.5	28.7%	26.7%
Community Colleges	56.6	52.4	146.2	156.8	587.4	587.5	24.9%	26.7%
	519.2	533.1	1,603.1	1,495.7	6,069.1	5,666.6	26.4%	26.4%
University System :								
University of North Carolina - General Admin.	4.8	2.7	21.2	18.9	49.6	49.2	42.7%	38.4%
UNC - GA Institutional Programs and Facilities	—	—	—	—	14.2	0.3	—	—
UNC - GA Related Educational Programs	0.4	0.2	7.6	7.3	86.5	77.2	8.8%	9.5%
UNC - Chapel Hill Academic Affairs	17.5	20.3	37.6	42.8	192.5	188.8	19.5%	22.7%
UNC - Chapel Hill Health Affairs	12.2	14.4	40.6	41.9	152.7	149.2	26.6%	28.1%
UNC - Chapel Hill Area Health Affairs	3.3	2.6	11.9	11.2	45.0	44.4	26.4%	25.2%
NCSU - Academic Affairs	24.3	24.7	65.0	63.5	261.2	250.3	24.9%	25.4%
NCSU - Agricultural Research	4.1	4.4	15.8	15.5	47.4	48.6	33.3%	31.9%
NCSU - Agricultural Extension Service	3.8	3.5	13.6	12.6	37.3	36.5	36.5%	34.5%
University of North Carolina at Greensboro	7.9	8.5	16.2	17.7	84.8	82.3	19.1%	21.5%
University of North Carolina at Charlotte	7.4	10.0	18.6	19.4	92.4	87.3	20.1%	22.2%
University of North Carolina at Asheville	2.0	1.9	7.0	6.4	24.5	23.9	28.6%	26.8%
University of North Carolina at Wilmington	4.8	5.0	13.8	12.7	57.0	52.4	24.2%	24.2%
East Carolina University	10.2	11.2	28.2	26.7	112.2	109.0	25.1%	24.5%
ECU - Health Affairs	3.8	4.1	13.3	14.4	42.2	45.2	31.5%	31.9%
North Carolina A&T University	2.1	5.0	13.6	15.7	57.2	57.3	23.8%	27.4%
Western Carolina University	4.4	5.3	12.2	12.5	50.4	50.2	24.2%	24.9%
Appalachian State University	6.2	7.8	19.2	19.2	80.2	75.9	23.9%	25.3%
Pembroke State University	1.9	2.6	5.8	6.0	22.6	22.3	25.7%	26.9%
Winston-Salem State University	2.1	2.7	7.1	8.1	26.8	26.2	26.5%	30.9%
Elizabeth City State University	2.1	1.9	7.1	6.0	20.7	20.5	34.3%	29.3%
Fayetteville State University	2.7	2.8	8.7	8.7	27.6	27.6	31.5%	31.5%
North Carolina Central University	4.0	2.2	12.0	9.7	43.7	42.4	27.5%	22.9%
North Carolina School of the Arts	1.4	1.3	4.3	3.8	15.3	14.5	28.1%	26.2%
University of North Carolina Hospitals	2.8	2.7	12.4	12.5	37.2	37.0	33.3%	33.8%
	136.2	147.8	412.8	413.2	1,681.2	1,618.5	24.6%	25.5%
Total - Education	655.4	680.9	2,015.9	1,908.9	7,750.3	7,285.1	26.0%	26.2%
Health and Human Services								
HHS - Administration	7.1	4.6	27.7	14.3	94.7	123.5	29.3%	11.6%
Aging	2.6	1.7	6.4	6.3	30.1	32.2	21.3%	19.6%
Child Development	14.7	12.6	41.3	46.4	288.3	210.9	14.3%	22.0%
Services for Deaf & Hearing Impaired	1.8	2.9	8.8	9.4	33.6	30.8	26.2%	30.5%
Health Services	10.4	10.1	22.8	31.7	135.5	129.6	16.8%	24.5%
Social Services	21.8	13.8	23.1	59.0	149.7	161.3	15.4%	36.6%
Medical Assistance	86.8	(52.9)	349.1	185.2	1,352.2	1,334.5	25.8%	13.9%
Children's Health Insurance	1.5	0.1	5.7	0.1	21.9	14.3	26.0%	0.7%
Services for the Blind	1.8	2.3	3.6	5.4	18.3	18.8	19.7%	28.7%
Mental Health	44.8	61.9	158.2	193.8	626.2	561.7	25.3%	34.5%
Facility Services	1.3	1.1	2.0	1.1	11.6	10.5	17.2%	10.5%
Vocational Rehabilitation	7.5	7.0	13.2	12.6	40.5	35.6	32.6%	35.4%
Youth Services (Reorganization FY 1999-00)	—	8.5	—	26.4	—	—	—	—
Juvenile Justice (Reorganization FY 1999-00)	12.6	—	31.8	—	140.0	126.1	22.7%	—
Total - Health and Human Services	214.7	73.7	693.7	591.7	2,942.6	2,789.8	23.6%	21.2%
Economic Development								
Commerce	4.8	6.9	10.6	9.3	47.8	54.4	22.2%	17.1%
Commerce - State Aid to Nonstate Entities	3.0	1.7	12.5	5.7	28.1	45.1	44.5%	12.6%
Division of Information Technology Service	—	—	0.5	(0.1)	3.6	6.1	13.9%	(1.6%)
Microelectronics Center	—	—	—	—	—	—	—	—
Biotechnology Center	—	—	—	—	—	—	—	—
Rural Economic Development Center	—	—	—	—	—	—	—	—

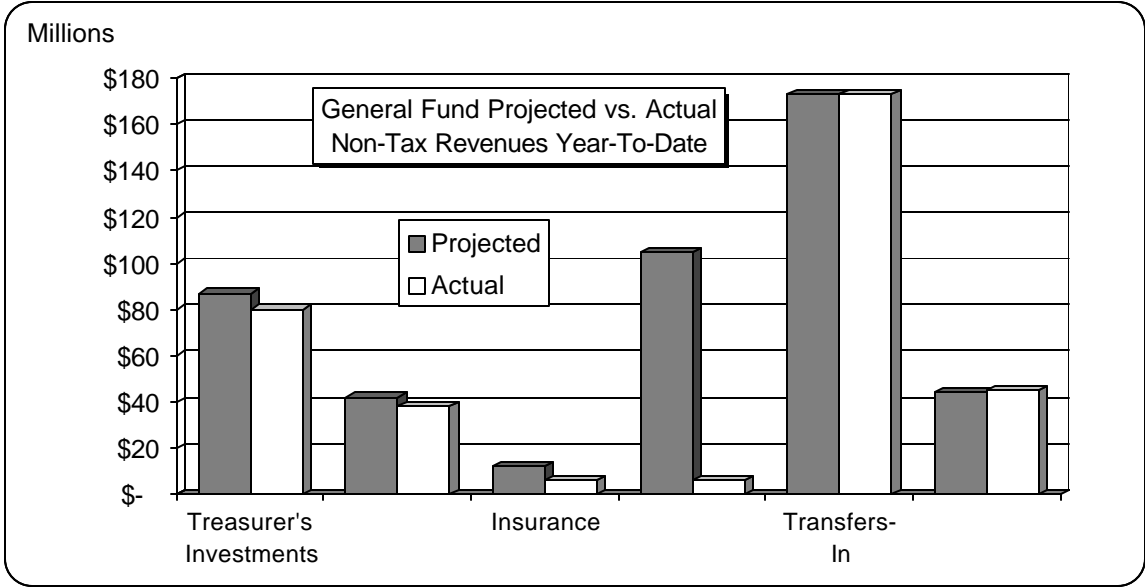
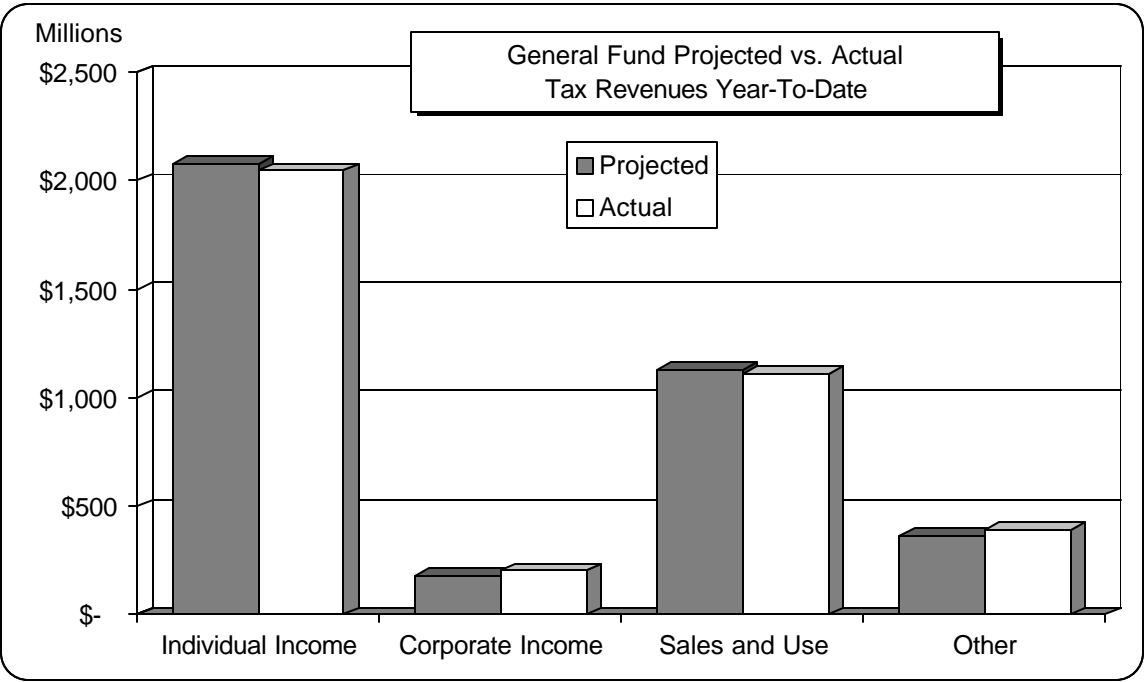
State of North Carolina

SCHEDULE OF APPROPRIATION EXPENDITURES BY FUNCTION AND DEPARTMENT GENERAL FUND

For the Months of October 1999 and 1998, and the Four Months Ended October 31, 1999 and 1998
(Expressed In Millions)

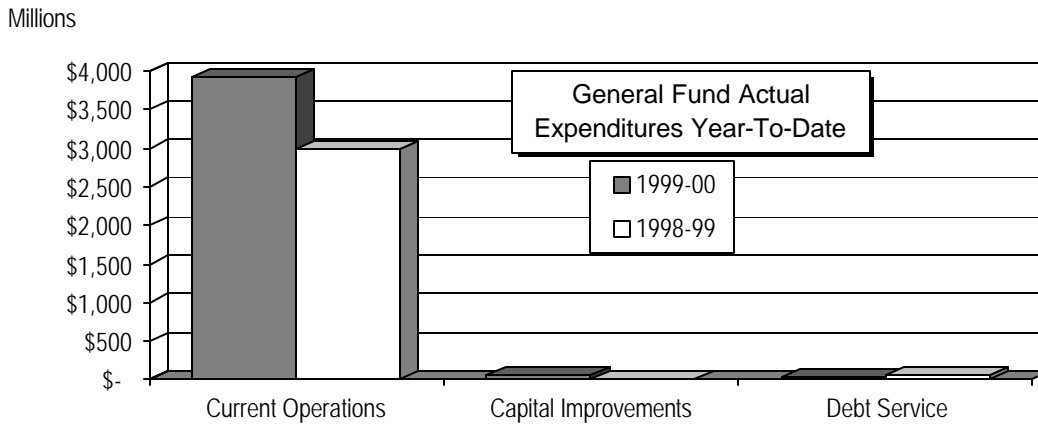
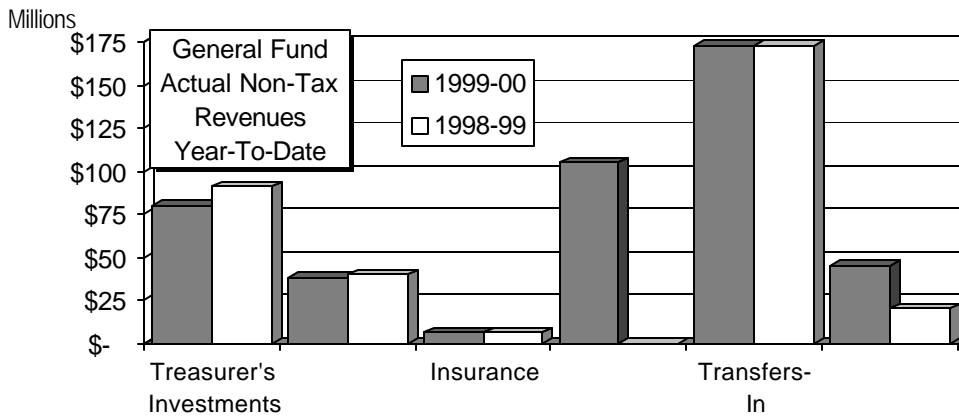
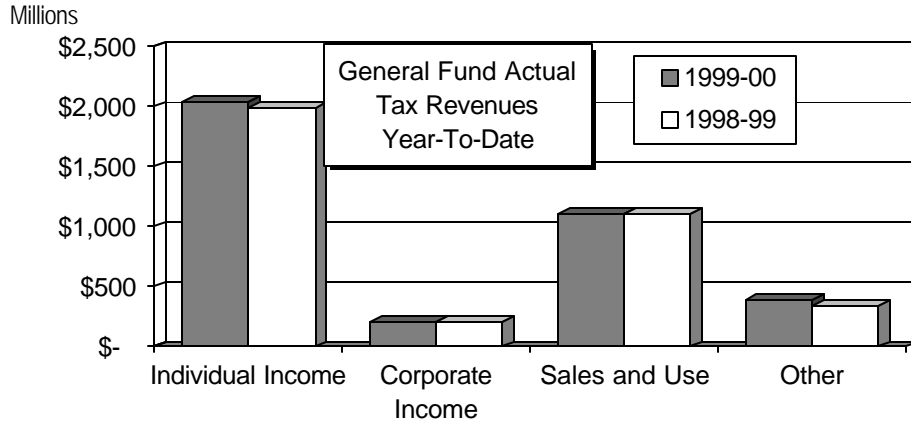
	Month		Year-To-Date		Authorized Budget		Percent of Budget Expended	
							Year-To-Date	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
Transportation - Airport	—	—	14.4	—	21.0	11.2	68.6%	—
Transportation - Railroads	—	—	—	—	—	—	—	—
Total - Economic Development	7.8	8.6	38.0	14.9	100.5	116.8	37.8%	12.8%
Environment and Natural Resources								
Environment and Natural Resources	11.8	13.6	49.9	48.2	160.7	163.5	31.1%	29.5%
Environment and Natural Resources - State Aid	—	—	30.0	—	30.0	47.4	100.0%	—
Total - Environment and Natural Resources	11.8	13.6	79.9	48.2	190.7	210.9	41.9%	22.9%
Public Safety, Correction, and Regulation								
Judicial	29.1	32.6	111.0	110.7	352.7	328.9	31.5%	33.7%
Justice	5.7	7.1	24.7	22.8	76.6	74.4	32.2%	30.6%
Labor	1.1	1.6	4.1	4.5	17.3	17.6	23.7%	25.6%
Insurance	1.8	1.9	6.9	5.9	23.0	22.7	30.0%	26.0%
Insurance - RICO	—	—	4.5	—	4.5	4.5	100.0%	—
Correction	70.3	79.5	283.4	284.6	924.6	885.2	30.7%	32.2%
Crime Control	5.3	5.8	11.4	11.5	38.3	36.8	29.8%	31.3%
Total - Public Safety, Correction, and Regulation	113.3	128.5	446.0	440.0	1,437.0	1,370.1	31.0%	32.1%
Agriculture								
Agriculture and Consumer Services	2.2	4.5	16.2	16.6	58.3	58.5	27.8%	28.4%
Rounding [*]	—	(0.2)	(0.2)	(0.2)	(0.5)	(0.2)	N/A	N/A
Total Current Operations	1,260.8	939.2	3,921.3	2,989.8	13,491.5	12,582.0	29.1%	23.8%
Capital Improvements								
Funded by General Fund	—	—	57.6	—	227.1	337.2	25.4%	—
Debt Service	(6.8)	—	27.4	52.5	193.1	192.4	14.2%	27.3%
	1,254.0	939.2	4,006.3	3,042.3	13,911.7	13,111.6	28.8%	23.2%
Capital Improvements								
Funded by Bond Proceeds	2.6	—	200.0	—	200.0	450.0	100.0%	—
Total Expenditures	\$ 1,256.6	\$ 939.2	\$ 4,206.3	\$ 3,042.3	\$ 14,111.7	\$ 13,561.6	29.8%	22.4%

[*] In disclosing the detail appropriation expenditures of 98 agencies/entities rounded to the millions of dollars, the "Rounding" category allows the most accurate presentation of individual agency and major General Fund category amounts.



State of North Carolina

October 31, 1999



**SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - BUDGETARY BASIS
HIGHWAY FUND**

October 31, 1999

(Expressed in Millions)

<u>Assets</u>		<u>Liabilities and Fund Balance</u>	
Deposits with State Treasurer :		Liabilities:	
Cash and Short-term Investments	\$ 144.7	Accounts Payable	\$ 4.0
		Contracts Payable - Retained Percentage	33.8
Accounts Receivable	60.2	Accrued Payroll	15.5
Inventory	33.1	Retainage Paid to Escrow Agents	32.3
Other Assets	150.9	FHWA - Advanced Right-of-way Revolving Fund	8.2
		Allowance for Employees' Leave	34.4
		Other Liabilities	<u>58.9</u>
		Total Liabilities	\$ 187.1
		Fund Balance:	
		Fund Balance - July 1, 1999	246.7
		Excess of Revenue Over/(Under) Expenditures -	
		Four Months Ended October 31, 1999	<u>(44.9)</u>
		Total Fund Balance	<u>201.8</u>
Total Assets	<u>\$ 388.9</u>	Total Liabilities and Fund Balance	<u>\$ 388.9</u>

SCHEDULE OF REVENUES BY OBJECT AND EXPENDITURES BY FUNCTION

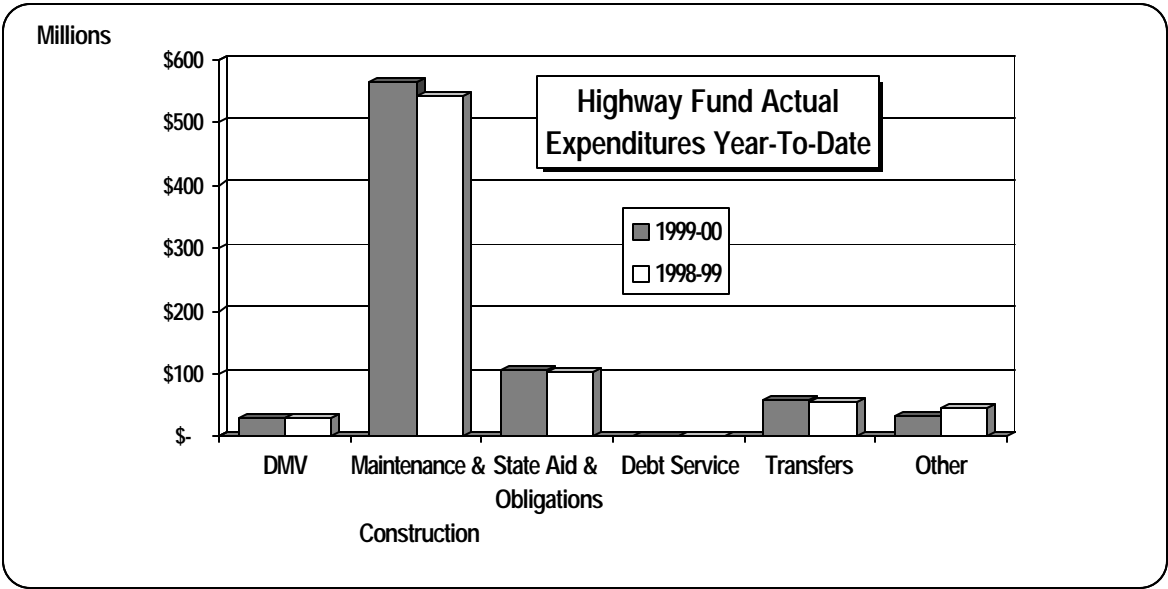
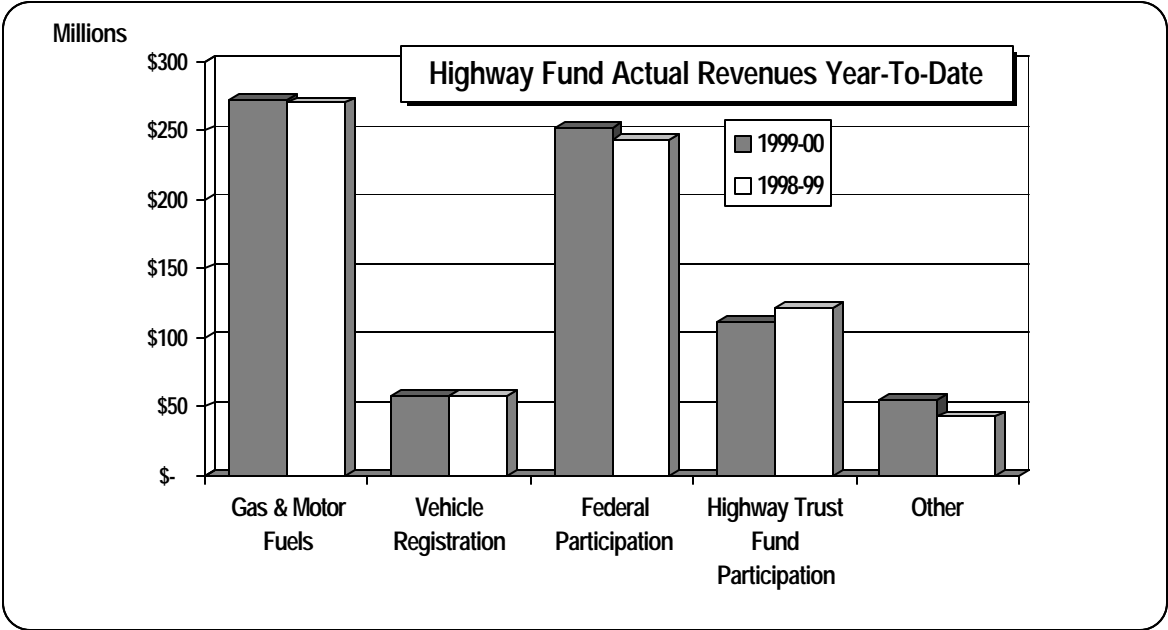
HIGHWAY FUND

For the Months of October 1999 and 1998, and the Four Months Ended October 31, 1999 and 1998
(Expressed in Millions)

	Month		Year-To-Date		[1] Authorized Budget		[2] Percent of Budget Realized/Expended Year-To-Date	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
Revenues:								
Gasoline Tax (\$.0025)	\$ 0.9	\$ 1.0	\$ 3.9	\$ 4.2	\$ 12.8	\$ 12.5	30.5%	33.6%
Motor Fuels Tax	66.0	65.2	\$ 267.6	\$ 266.2	777.8	779.3	34.4%	34.2%
Total Taxes	66.9	66.2	271.5	270.4	790.6	791.8	34.3%	34.2%
Motor Vehicle Registration	12.9	12.6	57.5	57.5	245.0	240.9	23.5%	23.9%
Other Fees, Licenses, Fines	6.5	8.2	27.0	31.6	102.0	99.8	26.5%	31.7%
Transfer From Highway Trust Fund	—	—	—	—	—	—	—	—
Treasurer's Investments	1.8	0.9	5.7	2.4	11.1	12.6	51.4%	19.0%
Departmental Revenues	0.4	0.1	0.6	0.2	0.8	0.8	75.0%	25.0%
Total Non-Tax	21.6	21.8	90.8	91.7	358.9	354.1	25.3%	25.9%
Total Tax and Non-Tax	88.5	88.0	362.3	362.1	1,149.5	1,145.9	31.5%	31.6%
Federal Funds Participation	60.1	72.9	252.4	242.6	1,780.5	1,511.4	14.2%	16.1%
Highway Trust Fund Participation	22.6	26.4	111.7	122.1	392.2	452.0	28.5%	27.0%
Other Participation	2.5	1.7	21.5	9.2	96.8	48.1	22.2%	19.1%
Total Other Revenues	85.2	101.0	385.6	373.9	2,269.5	2,011.5	17.0%	18.6%
Total Revenues	173.7	189.0	747.9	736.0	3,419.0	3,157.4	21.9%	23.3%
Expenditures:								
Administration	5.0	6.4	12.7	20.9	74.4	79.1	17.1%	26.4%
Operations	0.3	4.9	9.0	14.2	28.2	38.0	31.9%	37.4%
Transfers to Other State Agencies	17.5	17.2	59.8	57.3	191.5	184.6	31.2%	31.0%
Division of Motor Vehicles	9.6	9.9	30.8	31.3	97.2	95.1	31.7%	32.9%
State Highway Maintenance	39.6	50.9	162.9	178.0	590.7	569.4	27.6%	31.3%
State Highway Construction	18.5	29.6	73.2	95.9	384.9	460.0	19.0%	20.8%
Federal Aid - Highway Construction	83.5	77.1	328.5	267.1	2,704.9	1,970.7	12.1%	13.6%
State Aid and Obligations	87.7	81.1	105.0	104.4	283.3	254.7	37.1%	41.0%
Other Expenditures	5.8	6.7	10.9	9.7	89.5	61.3	12.2%	15.8%
Debt Service	—	—	—	—	—	—	—	—
Total Expenditures	267.5	283.8	792.8	778.8	4,444.6	3,712.9	17.8%	21.0%
Excess of Revenues Over/(Under) Expenditures	(93.8)	(94.8)	(44.9)	(42.8)	(1,025.6)	(555.5)		
Anticipation of Revenues :								
Cash-flow Contract	—	—	—	—	28.0	28.0		
Cash-flow Provisions - G.S. 136-176 and G.S. 143-28.1	—	—	—	—	752.0	408.0		
Beginning Balance	295.6	171.9	246.7	119.9	246.7	119.9		
Ending Balance	\$ 201.8	\$ 77.1	\$ 201.8	\$ 77.1	\$ 1.1	\$ 0.4		

[1] Multi-year budget.

[2] Authorized budget from November 1998.



**SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCE - BUDGETARY BASIS
HIGHWAY TRUST FUND**

October 31, 1999

(Expressed in Millions)

<u>Assets</u>		<u>Liabilities and Fund Balance</u>	
Deposits with State Treasurer :		Liabilities:	
Cash and Short-term Investments	\$ 608.5	Due to Highway Fund	\$ 88.9
		Due to Bond Fund	12.1
Accounts Receivable	9.2		
		Total Liabilities	<u>\$ 101.0</u>
		Fund Balance:	
		Fund Balance - July 1, 1999	646.7
		Excess of Revenue Over/(Under) Expenditures -	
		Four Months Ended October 31, 1999	<u>(130.0)</u>
		Total Fund Balance	<u>516.7</u>
Total Assets	<u>\$ 617.7</u>	Total Liabilities and Fund Balance	<u>\$ 617.7</u>

SCHEDULE OF REVENUES BY OBJECT AND EXPENDITURES BY FUNCTION HIGHWAY TRUST FUND

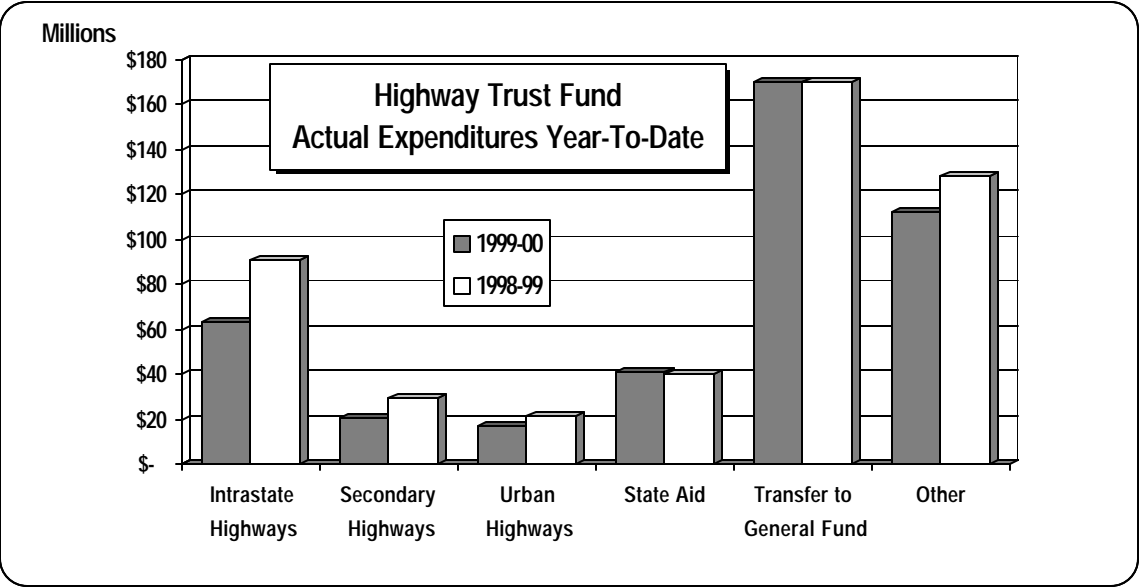
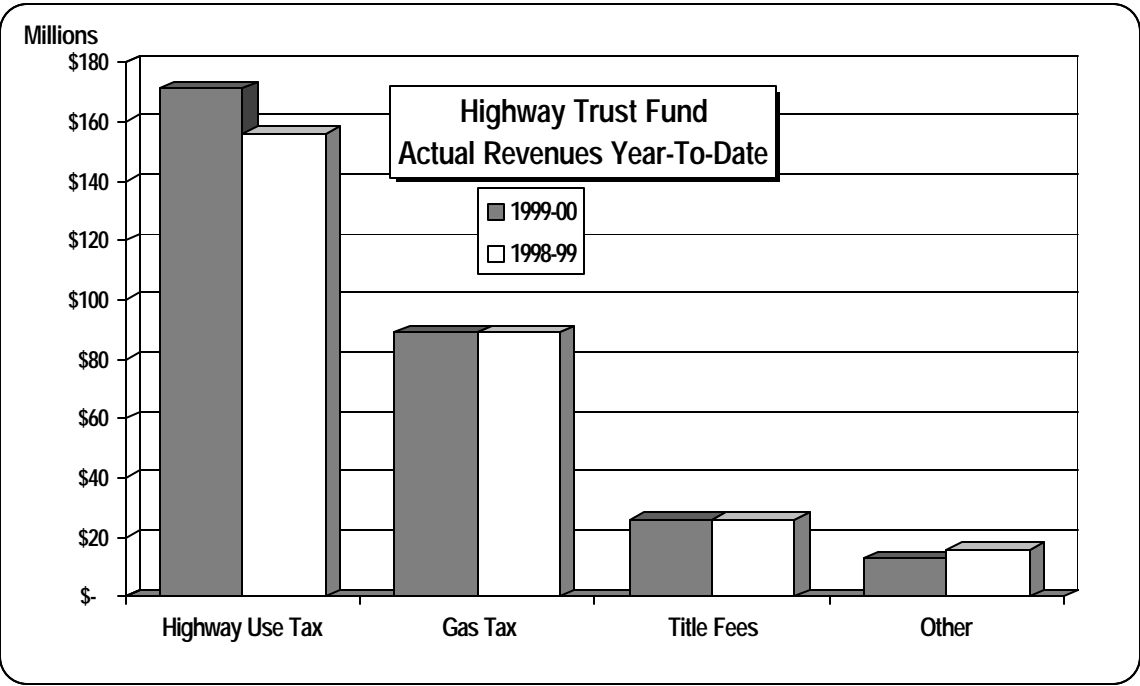
For the Months of October 1999 and 1998, and the Four Months Ended October 31, 1999 and 1998

(Expressed in Millions)

	Month		Year-To-Date		[3] Authorized	[4] Budget	Percent of Budget Realized/Expended	
	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99	1999-00	1998-99
Revenues:								
Highway Use Tax	\$ 41.7	\$ 39.6	\$ 171.1	\$ 156.4	\$ 493.6	\$ 457.6	34.7%	34.2%
Gasoline Tax	22.0	21.8	89.2	88.7	258.2	259.7	34.5%	34.2%
Total Taxes	<u>63.7</u>	<u>61.4</u>	<u>260.3</u>	<u>245.1</u>	<u>751.8</u>	<u>717.3</u>	34.6%	34.2%
Motor Vehicle Title Fees	6.2	6.3	26.1	25.6	78.9	78.7	33.1%	32.5%
Treasurer's Investments	2.5	3.6	7.5	11.6	36.9	31.4	20.3%	36.9%
Lien Recording	0.2	0.2	0.8	0.7	2.4	2.6	33.3%	26.9%
Miscellaneous Registration Fees	0.8	0.8	3.3	3.2	10.0	10.0	33.0%	32.0%
Transfer from Highway Fund	—	—	—	—	—	—	—	—
Other Non-Tax	0.7	0.1	1.0	0.2	4.1	3.5	24.4%	5.7%
Total Non-Tax	<u>10.4</u>	<u>11.0</u>	<u>38.7</u>	<u>41.3</u>	<u>132.3</u>	<u>126.2</u>	29.3%	32.7%
Total Revenues	<u>74.1</u>	<u>72.4</u>	<u>299.0</u>	<u>286.4</u>	<u>884.1</u>	<u>843.5</u>	33.8%	34.0%
Expenditures:								
Program Administration	6.4	6.0	6.4	6.0	28.8	27.2	22.2%	22.1%
Intrastate Highway System	15.8	24.9	62.9	90.5	494.5	513.3	12.7%	17.6%
Secondary Highway System	5.4	9.5	20.9	30.0	108.8	112.9	19.2%	26.6%
Urban Highway System	4.9	5.8	16.5	22.2	327.8	256.5	5.0%	8.7%
State Aid-Municipalities	41.1	40.0	41.1	40.0	83.5	82.1	49.2%	48.7%
Transfer to General Fund	—	—	170.0	170.0	170.0	170.0	100.0%	100.0%
Transfer to Highway Fund	22.6	26.5	105.7	122.1	386.2	451.4	27.4%	27.0%
Debt Service	5.5	5.8	5.5	5.8	27.6	28.4	19.9%	20.4%
Total Expenditures	<u>101.7</u>	<u>118.5</u>	<u>429.0</u>	<u>486.6</u>	<u>1,627.2</u>	<u>1,641.8</u>	26.4%	29.6%
Excess of Revenues Over/(Under)								
Expenditures	(27.6)	(46.1)	(130.0)	(200.2)	(743.1)	(798.3)		
Anticipation of Revenues :								
Cash-flow Provisions - G.S. 136-176 and G.S. 143-28.1	—	—	—	—	107.1	79.6		
Beginning Balance	<u>544.3</u>	<u>564.6</u>	<u>646.7</u>	<u>718.7</u>	<u>646.7</u>	<u>718.7</u>		
Ending Balance	<u>\$ 516.7</u>	<u>\$ 518.5</u>	<u>\$ 516.7</u>	<u>\$ 518.5</u>	<u>\$ 10.7</u>	<u>\$ —</u>		

[3] Multi-year budget.

[4] Authorized budget from November 1998.



State of North Carolina

SCHEDULE OF DEBT SERVICE REQUIREMENTS

GENERAL OBLIGATION DEBT - GENERAL FUND AND HIGHWAY FUND

For the Fiscal Year 1999-00

Issue	Description	Due Date	General Fund Principal	General Fund Interest	General Fund Discount	Highway Fund Principal	Highway Fund Interest
05/01/89	Capital Improvement Series, 1989.....	11/01/1999	—	—	—	—	—
05/01/89	Capital Improvement Series, 1989.....	05/01/2000	1,910,000.00	—	(933,006.40)	—	—
03/01/91	Capital Improvement, Series A.....	09/01/1999	—	744,000.00	—	—	—
03/01/91	Capital Improvement, Series A.....	03/01/2000	8,300,000.00	744,000.00	—	—	—
10/01/91	Capital Improvement Series, 1991.....	10/01/1999	—	523,600.00	—	—	—
10/01/91	Capital Improvement Series, 1991.....	04/01/2000	6,200,000.00	523,600.00	—	—	—
03/01/92	Prison and Youth Serv. Fac., Series A.....	09/01/1999	—	805,200.00	—	—	—
03/01/92	Prison and Youth Serv. Fac., Series A.....	03/01/2000	8,800,000.00	805,200.00	—	—	—
10/01/93	Prison and Youth Serv. Fac., Series B.....	12/01/1999	—	1,640,250.00	—	—	—
10/01/93	Prison and Youth Serv. Fac., Series B.....	06/01/2000	6,800,000.00	1,640,250.00	—	—	—
10/01/93	Public Improvement Refunding, Series 1993.....	08/01/1999	21,920,000.00	602,800.00	—	—	—
10/01/93	Clean Water Refunding, Series 1993.....	12/01/1999	—	162,375.00	—	—	—
10/01/93	Clean Water Refunding, Series 1993.....	06/01/2000	4,045,000.00	162,375.00	—	—	—
10/15/93	Prison and Youth Services Facilities Refunding, Series C.....	09/01/1999	—	1,483,640.00	—	—	—
10/15/93	Prison and Youth Services Facilities Refunding, Series C.....	03/01/2000	615,000.00	1,483,640.00	—	—	—
02/01/94	Capital Improvement, Series 1994A.....	08/01/1999	—	8,577,875.00	—	—	—
02/01/94	Capital Improvement, Series 1994A.....	02/01/2000	8,000,000.00	8,577,875.00	—	—	—
10/01/94	Clean Water Bonds, Series 1994A.....	12/01/1999	—	287,500.00	—	—	—
10/01/94	Clean Water Bonds, Series 1994A.....	06/01/2000	2,000,000.00	287,500.00	—	—	—
11/01/94	Clean Water Bonds, Series 1994B.....	12/01/1999	—	100,000.00	—	—	—
11/01/94	Clean Water Bonds, Series 1994B.....	06/01/2000	4,000,000.00	100,000.00	—	—	—
06/01/95	Clean Water Bonds, Series 1995A.....	12/01/1999	—	1,405,500.00	—	—	—
06/01/95	Clean Water Bonds, Series 1995A.....	06/01/2000	3,000,000.00	1,405,500.00	—	—	—
07/01/95	Clean Water Bonds, Series 1995B.....	12/01/1999	—	107,500.00	—	—	—
07/01/95	Clean Water Bonds, Series 1995B.....	06/01/2000	5,000,000.00	107,500.00	—	—	—
01/01/97	Capital Improvement, Series 1997.....	12/01/1999	—	4,788,000.00	—	—	—
01/01/97	Capital Improvement, Series 1997.....	06/01/2000	3,000,000.00	4,788,000.00	—	—	—
03/01/97	Public School Building, Series 1997A.....	09/01/1999	—	11,186,500.00	—	—	—
03/01/97	Public School Building, Series 1997A.....	03/01/2000	8,000,000.00	11,186,500.00	—	—	—
11/01/97	Highway Bonds, Series 1997A.....	11/01/1999	—	—	—	—	5,466,275.00
11/01/97	Highway Bonds, Series 1997A.....	05/01/2000	—	—	—	16,675,000.00	5,466,275.00
04/01/98	Public School Building, Series 1998A.....	10/01/1999	—	10,341,875.00	—	—	—
04/01/98	Public School Building, Series 1998A.....	04/01/2000	16,000,000.00	10,341,875.00	—	—	—
04/01/99	Clean Water Refunding Bonds, Series 1999.....	12/01/1999	—	570,130.00	—	—	—
04/01/99	Clean Water Refunding Bonds, Series 1999.....	06/01/2000	155,000.00	570,130.00	—	—	—
04/01/99	Public School Building, Series 1999.....	10/01/1999	—	10,339,250.00	—	—	—
04/01/99	Public School Building, Series 1999.....	04/01/2000	18,500,000.00	10,339,250.00	—	—	—
09/01/99	Public Improvement, Series 1999A.....	03/01/2000	—	4,661,550.00	—	—	—
09/01/99	Public Improvement, Series 1999B.....	03/01/2000	—	670,725.00	—	—	—
10/01/99	Public Improvement, Series 1999C.....	03/01/2000	—	49,354.17	—	—	—
			\$ 126,245,000.00	\$ 112,110,819.17	\$ (933,006.40)	\$ 16,675,000.00	\$ 10,932,550.00
Total Principal			\$ 142,920,000.00	Total Interest \$ 123,043,369.17			

Due Date	General Fund New Issues	General Fund Principal	General Fund Interest	General Fund Discount	Highway Fund New Issues	Highway Fund Principal	Highway Fund Interest	Outstanding, Net of Unamortized Disc.
Jul 1, 1999	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,451,972,953.63
Aug 1, 1999	—	21,920,000.00	9,180,675.00	—	—	—	—	2,430,052,953.63
Sep 1, 1999	197,400,000.00	—	14,219,340.00	—	—	—	—	2,627,452,953.63
Oct 1, 1999	2,600,000.00	—	21,204,725.00	—	—	—	—	2,630,052,953.63
Nov 1, 1999	—	—	—	—	—	—	5,466,275.00	2,630,052,953.63
Dec 1, 1999	—	—	9,061,255.00	—	—	—	—	2,630,052,953.63
Jan 1, 2000	—	—	—	—	—	—	—	2,630,052,953.63
Feb 1, 2000	—	8,000,000.00	8,577,875.00	—	—	—	—	2,622,052,953.63
Mar 1, 2000	—	25,715,000.00	19,600,969.17	—	—	—	—	2,596,337,953.63
Apr 1, 2000	—	40,700,000.00	21,204,725.00	—	—	—	—	2,555,637,953.63
May 1, 2000	—	1,910,000.00	—	(933,006.40)	—	16,675,000.00	5,466,275.00	2,537,985,960.03
Jun 1, 2000	—	28,000,000.00	9,061,255.00	—	—	—	—	2,509,985,960.03
		\$ 200,000,000.00	\$ 126,245,000.00	\$ 112,110,819.17	\$ (933,006.40)	\$ 16,675,000.00	\$ 10,932,550.00	
		Total Principal		\$ 142,920,000.00				
		Total Interest		123,043,369.17				
		Total Requirements		\$ 265,963,369.17				